

Santee-Lynches Regional Council of Governments
Board of Directors' Meeting
February 6, 2017 – 12:00 P.M.
CCTC Advanced Manufacturing Center, Sumter South Carolina

MINUTES

Members Present:

Clarendon: Senator Kevin Johnson, Shirley Keels, Julia Nelson, Dwight Stewart
Kershaw: Julian Burns, Alfred Mae Drakeford, Rep. Laurie Funderburk
Lee: David Addison, Alexander Boyd, Travis Windham, Rep. Will Wheeler
Sumter: Eugene Baten, Larry Blanding, Jim Campbell, Ione Dwyer, Jim McCain, Joe McElveen, Dr. Bill Painter, Earl Wilson

Members Absent: Excused – Benton Blakely, Jeffrey Graham, Brad Hanley, John Lee, Kenneth McCaskill, Sammie Tucker, Bob Galiano, Vivian McGhaney, Rep. David Weeks; Absent – Jay Schwedler

Staff Present:

Dr. Michael Mikota, Kathy Powell, Areatha Clark, Yoli Crolley, Connie Munn, Kyle Kelly and Brenda Golden.

- I. Welcome and Call to Order** – Chair Drakeford called the meeting to order.
- A. Julian Burns provided the invocation.
 - B. Attendees provided the Pledge of Allegiance.
 - C. Dr. Michael Mikota introduced new board members: Rep. Will Wheeler from Lee County; Mayor Joe McElveen from the City of Sumter; and Bob Galiano from the City of Sumter. He noted that we currently have all four mayors of our member local governments as well as all four County Council Chairs serving on the board.
 - D. Approval of Agenda – A motion was made by Jim Campbell to approve the agenda as presented. The motion was seconded by Eugene Baten and unanimously approved.
 - E. Approval of Minutes – A motion was made by Dr. Bill Painter to approve the November 7, 2016 minutes as published. The motion was seconded by Jim Campbell and unanimously approved.
 - F. Financial Report - Kathy Powell, Deputy and Finance Director referred board members to their copy of the December 2016 financial report and updated the bank balances as follows: General Operating funds \$1,651,142; State Local Government Investment Pool funds \$960,596. She noted the Audit/Finance Committee met last month and received the audit report. It was noted, during that report, that the fund balance is in good shape partially because it includes cash balances generated as a result of fire insurance claims (in the prior year) and from the sale of the COG's office building at the end of June 2016. Ms. Powell noted the status of local appropriations collections and indicated we've collected 33.6% of total budgeted operating revenues. Actual expenses compared to budget are at approximately 43% of budget. Ms. Powell pointed out the RDC bank balances on the final page of the report. There were no questions, and the report was accepted as information by the board.

II. Committee Reports

A. Audit and Finance – Chair Drakeford noted that the Audit and Finance Committee met on January 10 with no quorum. A motion was made by Julian Burns to discuss and seconded by Dr. Bill Painter. Mr. Burns noted the committee received the report on a fine audit as well as they discussed a 40% fund increase for localities.

Dr. Painter noted several topics discussed at the meeting: a pro rata share based on population currently at 80 cents per capita would increase to \$1.25 per capita and those in the meeting except Kershaw County agreed with the increase. He noted the audit report was received and if other projects need to be completed by the local governments, they will go the COG to bid out the premium items and provide them the opportunity to do the work and add funding to the COG. Dr. Painter mentioned using the COG for local government work as their work is as good as anyone. He also discussed the pro rata local share being used for match in federal/state funding. Mrs. Powell explained the local appropriations are undesignated funds which are used first as match funds and then used within the COG as needed.

Dr. Mikota presented the information that was discussed by the Audit and Finance Committee. In FY 15-16, member local governments contributed a total of \$178,674 to the COG. Those funds were spent as follows: Area Agency on Aging 55%; Economic Development District 18%; Rural Transportation Planning District 15%, and Operations and Leveraging 12%. The COG returned over \$17,335,506 in services and programs for this investment.

Dr. Mikota provided further analysis in relation to the comments provided by Mr. Burns and Dr. Painter regarding the Audit and Finance Committee discussions related to appropriation increases. Dr. Mikota highlighted that member benefits, at \$1.25 per capita, would include rural transportation planning district, workforce investment/development area, area agency on aging, economic development district, regional development corporation, 208 wastewater planning agency, regional water quality management planning, and regional hazard mitigation planning. He also explained that other premium member benefits could be separately negotiated by local governments and may include customizable land use planning services, local economic development initiative services, and customized planning policy and/or implementation services.

Dr. Mikota stated that last year all local governments paid for extra services in addition to their per capita appropriations rate of 80 cents except for Kershaw County.

Mr. Burns asked Dr. Mikota what has necessitated a 40% increase in per capita dues - what are they getting for this increase? Dr. Mikota explained that Santee-Lynches is a revitalized, nimble, and aggressive organization. He stressed that Santee-Lynches had been transformed in recent years with 80% new staff that have brought new skill sets and an exceptional level of capability. Dr. Mikota stated that investment in the growth and development of the professional expertise at Santee-Lynches would be necessary in order to sustain a highly

productive and exceptional organization. Mr. Burns noted that he needs to show something to his council for this increase and noted the great work done by Dr. Mikota and Kyle Kelly on the projects for Kershaw County.

Dr. Mikota noted that pass through funds at the COG and administration of programs comes from the local government appropriations and has not been increased since 2000 when it went to 80 cents per capita. He explained the COG has been administering lots of programs and completing many projects with no additional funding.

Senator Johnson stated that he understands that local government budgets are tight; however, in referencing the per capita increase from 80 cents to \$1.25 he questions where you can get the same services anywhere with year 2000 prices. He explained the COG is a regional organization which benefits the region not just an individual county – noting the board has always looked at it from a regional standpoint. Senator Johnson also noted the organizational changes that have exhibited a higher quality staff and increases in technology.

A motion was made by Senator Kevin Johnson to approve an increase in appropriations to \$1.25 per capita as noted in the presentation slide from Dr. Mikota entitled Recommendation for Consideration. The motion was seconded by Dr. Bill Painter. There was additional discussion regarding the increase. Chair Drakeford called for the vote with board members in attendance voting in favor with the exception of Julian Burns voting against the motion and Rep. Laurie Funderburk abstaining – the motion was approved.

B. Economic & Community Sustainability (ECS) – Dwight Stewart, Chair, provided the following report: The ECS Committee met on January 31 to discuss ongoing projects and programs.

The Committee continues to monitor and review activity on transportation, economic development, environment, and community development fronts. Key items of note for the board's situational awareness:

1. Updates and revisions to the Long-Range Transportation Plan (LRTP) are available for public comment. The ECS Committee reviewed the updated draft at the meeting and the document is now available for comments on the Santee-Lynches RCOG website. All members were provided a copy of the LRTP at the meeting. Once all comments are received after the deadline of March 2, the committee will review and make adjustments and corrections as necessary prior to bringing the item to the full board for action.
2. The Environmental Planning Advisory Committee (EPAC) will meet on March 15. The committee will review the final draft Green Infrastructure Plan and will also discuss items relating to updating the Regional Water Quality Management Plan.

C. Health & Human Services - Shirley Keels, Chair, provided the following report, noting action will need to be taken on the first item.

- The RFP released in January 2014 states the contract period will be July 1, 2014 through June 30, 2015 with the option to extend contracts less than, but will not exceed four additional one year periods. This will also allow the AAA to be on the same procurement cycle as the rest of the state, thus we will be able to participate in a statewide procurement training offered by Bob Lloyd. A motion was made by Dr. Bill Painter to approve the contract extension to the Councils on Aging per the terms of the RFP. The motion was seconded by Julia Nelson and unanimously approved.
- The committee was updated on the five year Area Plan which is due April 28. Staff will be conducting Taskforce meetings, utilizing the Advisory Committee and all HHS staff in working on this extensive plan. This plan will highlight the past accomplishments as well as a plan which develops a comprehensive, coordinated service delivery system for our older population. A public hearing will be held in March 2017 in conjunction with the Advisory Committee.
- Mrs. Keels noted that Steve Morris is now the new State Unit on Aging Director. Mr. Morris has a background with the Council of Governments as he served on the Central Midlands COG Board. He is currently touring the State visiting all the AAAs. In January he met with Dr. Mikota and HHS staff and was impressed with the vision and excitement for the aging population.
- The Veteran's Program now has 60 participating veterans. A new staff person, Daniel Wallace, has been hired to work in the Veterans program as well as helping the Assessment Team.
- The Family Caregiver Program received an additional \$25,000 at the end of 2016 to assist more clients in the region.

D. Workforce – Chair Earl Wilson had no report to present but yielded to Dr. Mikota. Dr. Mikota stated that workforce and education programs in South Carolina are complex and noted that he would be moderating a panel on rethinking recruitment at the South Carolina Workforce Development Symposium in Columbia on February 8th and he would be speaking to the Senate Labor, Commerce and Industry Committee on the workforce challenges in South Carolina on February 16th. He stated that the Workforce Committee needs to be working together with other programs to enhance our region's workforce. Dr. Mikota introduced Bob Edwards, Chair of the Regional Education Center (REC). Mr. Edwards explained that the REC board guides our regional workforce advisor in connecting business with education to improve the future workforce. He noted some upcoming projects: an Advanced Manufacturing Expo for 8th graders in Sumter and Lee in March with the Sumter Chamber; implementation of SC Future Makers – an online platform for students to showcase their skills and abilities; and a new soft skills curriculum for high school students that not only TEACH the skill but require that they demonstrate it in class. Mr. Edwards stated they look forward to partnering with Santee-Lynches and others in the future.

III. New Business

A. Presentation of the FY 15-16 Audit Report – Kathy Powell, Deputy & Finance Director, noted the annual audit has been finalized, and each board member has a bound copy at their place today. She explained that the Hobbs Group presented the FY 15-16 audit report to the Audit/Finance Committee in January, thoroughly

reviewing the report with them. Mrs. Powell then made a brief presentation to the board in which she highlighted the most significant parts of the report, noting that a single audit was performed as required. She referenced the last page of the audit which summarizes the auditors' results: SLRCOG received an unmodified report (formerly known as a "clean opinion") meaning there were no identified no concerns/issues. This classification is the highest that can be given. There were no material weaknesses, significant deficiencies or noncompliance areas noted in either the internal controls over financial reporting or major federal programs. There were no findings or questioned costs, and SLRCOG qualified as a "low-risk auditee". Management's Discussion and Analysis of the statements is contained in pages four through ten and contains information which separates from the Council's unrestricted net position the GASB 68 impacted portion. A summary of the overall position of the Council can be found on pages 11-12. These two pages continue the balance sheet information and revenue and expenses summarized. She explained that page 12 shows the net position at the end of the year of \$401,954, and indicates a change in net position for the year of \$196,112. The fund balance/net position was also discussed as Mrs. Powell explained funds include fire insurance proceeds as well as proceeds from the sale of the COG's office building. She noted these were one-time events that were the primary reasons for the COG's excess revenues over expenses in the past two years. Pages 17-36 include notes to the financial statements. Mrs. Powell asked members to contact her or the audit firm if they have additional questions or need clarification of anything contained in the report.

There was discussion on how to manage a COG budget when federal/state funds are unknown. Mrs. Powell noted it's not an easy task, but managing in lean times is crucial. SLRCOG has been able in the past to expand or contract staffing depending on the availability of program funds and other resources. She noted one of the reasons for asking for an appropriations increase from member local governments is to help stabilize a base of funds for both matching and staff retention purposes.

- B. Nominating Committee Appointment** – Chair Drakeford appointed the following members to the Nominating Committee: Clarendon County – Dwight Stewart, Chair; Kershaw County – Sammie Tucker; Lee County – David Addison; Sumter County – Dr. Bill Painter. This Committee will present a slate of officers for FY 17-19 (two year term) at the May meeting.
- C. COG of the Past/Future** – Dr. Mikota mentioned that in the past Santee-Lynches has been more reactive versus proactive on programs or issues within the region. Now is the time to develop a proactive plan to spur developmental initiatives in the Santee-Lynches region. Dr. Mikota provided to the board that Regional Councils have wide authority granted to them by the State Legislature and Member Governments (with the exception of levying taxes) noting that the activities must be public; not for profit; functions which member governments are authorized by law to undertake.

Dr. Mikota asked board members to write down their priorities for moving the COG forward and what they would like to work on as a board. He referenced key priorities from the November Summit as education, planning, economic development, workforce, community revitalization, and entrepreneur support.

Chair Drakeford thanked Dr. Mikota and asked that, due to the lateness of the meeting, members email Yoli Crolley their priorities to look at for the next meeting.

IV. Executive Director Comments – no report was provided.

V. Adjournment – There being no further action before the board, the meeting was adjourned at 1:25 p.m.

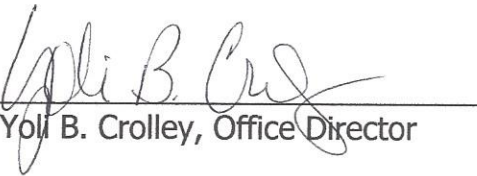
Respectfully Submitted,



G. Michael Mikota, Ph. D.
Executive Director

I certify that public/media notifications were given prior to meeting as follows:

Public Notified: Yes
Manner Notified: Agenda posted on board at 2525 Corporate Way Suite 200, Sumter
Date Posted: January 26, 2017
Media Notified: Yes
Manner Notified: Agenda emailed to local newspapers:
Clarendon Citizen, Camden Chronicle, Lee Observer and Sumter Item
Date Notified: January 26, 2017



Yoli B. Crolley, Office Director